UNITED STATES DISTRICT COURT WESTERN DISTRICT OF TEXAS AUSTIN DIVISION

TERRY AUSLEY, LINDA AUSLEY, and MARY LOUISE AUSLEY,

CIVIL ACTION NO. 1:09-cv-660

Plaintiffs

v.

CROSS COUNTY WATER SUPPLY
CORPORATION, BLUE WATER
SYSTEMS GP, LLC, BLUE WATER
SYSTEEMS, L.P., ROSS M. CUMMINGS, §
PATRICK M. REILLY, KIT WORLEY,
WAYNE BRINKLEY, SPITZER &
ASSOCIATES, INC., OMAR NASSAR,

Defendants

DEBRA MURPHY,

DEFENDANT'S FIRST SUPPLEMENTAL OBJECTIONS AND/OR RESPONSES TO PLAINTIFFS' FIRST REQUEST FOR PRODUCTION

TO: Plaintiffs, TERRY AUSLEY, LINDA AUSLEY, and MARY LOUISE AUSLEY, by and through their attorneys of record, Bill Youngkin, Ty Clevenger, and Jeffrey M. Burns, Youngkin & Associates, PO Box 4806, Bryan, Texas 77805

COMES NOW CROSS COUNTY WATER SUPPLY CORPORATION ("Cross County"), Defendant in the above-entitled and numbered cause, and pursuant to Rule 34 of the Federal Rules of Civil Procedure, serves Defendant's First Supplemental Objections and/or Responses to Plaintiffs' Request for Production.

EXHIBIT "A"

Respectfully submitted,

HOWRYBREEN, L.L.P.

Randy Howry

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ATTORNEYS FOR DEFENDANTS

CERTIFICATE OF SERVICE

I do hereby certify that a duplicate original or true and correct copy of the foregoing document to which this certificate is attached was served on all attorneys of record in this case by certified mail, return receipt requested, and/or facsimile at the address listed below on the 12th day of March, 2010.

Via Certified Mail/RRR Bill Youngkin Ty Clevenger Jeffrey M. Burns Youngkin & Associates PO Box 4806 Bryan, Texas 77805 Tel. (979) 776-1325 Fax. (979) 776-1315 Attorneys for Plaintiffs Terry Ausley, Linda Ausley, and Mary Louise Ausley

Via Certified Mail/RRR Paul M. Terrill Geoffrey P. Kirshbaum

The Terrill Firm, PC 810 West 10th Street Austin, TX 78701 (512) 474-9100 Fax: (512) 474-9888

Attorneys for Blue Water Systems L.P., Blue Water Systems GP, LLC

Randy Howry

FIRST AMENDED RESPONSES TO REQUESTS FOR PRODUCTION

1. Any and all documents reflecting lists of all current and former officers, directors, shareholders, members, and employees of Cross County Water Supply Corporation, including address and telephone numbers, and all documents reflecting their financial stake in salary to the Cross County Water Supply Corporation.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objections and without waiving the same, Cross County has provided, either previously or attached hereto, or Plaintiffs are already in possession of, documents identifying current and former officers, directors, shareholders, members, and/or employees of Cross County. See attached documents; see CC 00001-00006; see also Exhibits D-2 and D-3 to Plaintiffs' Response to Defendants Motion for Summary Judgment (Docket # 37).

2. Produce any and all applications and documents used in obtaining a certificate of public necessity for Cross County Water Supply Corporation.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objections and without waiving the same, none.

3. Produce any and all documents reflecting current customers of Cross County Water Supply Corporation.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are

neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objection and without waiving the same, Cross County does not have "customers," but documents showing entities that have reserved capacity are attached.

4. Produce any and all documents, surveys and/or reports showing the entire location of the proposed water pipeline that is proposed to traverse Defendants Terry and Linda Ausley's property.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege. Defendant has re-directed the location of the pipeline so that it will not cross the Ausley's property thus, the documents Plaintiffs seek here are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

5. In your Original Petition and Request for Injunction and Request for Temporary injunction, you state that "Cross County, acting through its Board of Directors, has determined a public need to acquire certain real property for the purpose of constructing and maintaining a pipeline to provide a water supply to municipalities, private corporations, or individuals". Produce any and all documents relied upon by the Board of Directors for Cross County Water Supply Corporation, and all documents created by Cross County Water Supply Corporation, its agents and employees that support this contention, including corporate resolutions created as a result of this determination.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome. Defendant has dismissed its request for injunctive relief and access to Plaintiff's property. Thus, the documents sought here are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objections and without waiving the same, documents responsive to this request are attached.

6. All documents pertaining to or relating to the valuation of acreage of Real Property in Burleson County within the last 36 months prior to the date of this discovery request, including without limitation copies of reports, surveys (including topographical, environmental and geotechnical surveys), leases, deeds, easement agreements, right of way agreements or any memoranda of the reports, surveys (including topographical, environmental and geotechnical surveys), leases, deeds, easement agreements or right of way agreements with recording information where applicable.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objections and without waiving the same, documents relating to Plaintiffs and their property have been or will be produced and/or are already in Plaintiffs' possession.

7. Produce all documents pertaining to or relating to offers made by Defendant within the last 36 months prior to the date of this discovery for the acquisition of real estate in Burleson County, whether in the form of an easements, leases, right of ways and/or fee simple. This request includes, but is not limited to, e-mail or other correspondence reflecting the terms that the Defendant was willing or authorized to offer landowners as of a given date.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objections and without waiving the same, documents relating to Plaintiffs and their property have been or will be produced and/or are already in Plaintiffs' possession.

8. Produce all documents that reflect that Cross County Water Supply Corporation will suffer irreparable harm if it is not able to perform the surveys, tests arid inspections required by this project on Defendants Terry and Linda Ausley's property.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome. Defendant has dismissed its request for injunctive relief and access to Plaintiff's property. Thus, the documents sought here are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

9. Produce all documents which reflect that that inability of Cross County Water Supply Corporation to perform the surveys, tests and inspections required by this project on Plaintiff Terry and Linda Ausley's property will render construction of the proposed water line an impossibility.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome. Defendant has dismissed its request for injunctive relief and access to Plaintiff's property. Thus, the documents sought here are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

10. Produce all correspondence, letters sent to all landowners who Cross County Water Supply has contacted in pursuit of its proposed water line project, including, but limited to, all documents referencing condemnation of land and/or eminent domain.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objections and without waiving the same, documents relating to Plaintiffs and their property have been or will be produced and/or are already in Plaintiffs' possession.

11. Produce copies of all contracts and agreements between Cross County Water Supply Corporation and third parties, including municipalities and any other end-

line user of water to which Cross County Water Supply Corporation will provide water

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

12. Produce copies of correspondences in negotiations with municipalities, third parties, and end-line users to which Cross County Water Supply Corporation has communicated for providing water services.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

13. Produce copies of all correspondence, contracts, and agreements of owner of lease-hold water rights with which Cross County Water Supply Corporation has entered negotiations or agreements for the source of its supply of water.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objections and without waiving the same, none.

14. Any filings by Cross County Water Supply Corporation made with government entities, including, but not limited to, Secretary of State, Texas Commission of Environmental Quality, Public Utility Commission, and/or any and all filings required as a result of being a Water Supply Corporation, including and certificates of public convenience and necessity.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objections and without waiving the same, Cross County has already provided or will provide, or Plaintiffs are already in possession of, responsive documents. See Exhibits D-2 and D-3 to Plaintiffs' Response to Defendants Motion for Summary Judgment (Docket # 37); see also documents attached.

15. All diaries, notes, memoranda, journals, or calendars, including electronic diaries, notes, memoranda, journals, or calendars, or other written logs that constitute or contain matters relevant to the subject matters of this lawsuit.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

16. All letters and correspondence, including electronic writings (for example, email), that constitute or contain matters relevant to the subject matters of this lawsuit.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

17. Any and all documents and tangible things whose production has not been requested pursuant to any other item of this request which you intend to offer into evidence at the trial of this case.

RESPONSE:

Objection. Defendant objects to this Request for Production for the reason that it is overbroad, unduly burdensome and seeks documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. Defendant further objects to the extent that this request seeks information that is privileged by the attorney-client or attorney-work product privilege.

Subject to the foregoing objections and without waiving the same, Cross County has not yet determined which exhibits will be offered at trial. Cross County has provided a list of potential exhibits in its Designation of Potential Witnesses, Testifying Experts and Proposed Exhibit List (Docket #56) and will supplement as the information becomes available and in accordance with the Scheduling Order (Docket #34), which specifies the time for production of exhibit lists.